

**MINUTES OF REGULAR MEETING
OPEN SESSION
ILLINOIS GAMING BOARD
DECEMBER 16, 2008
CHICAGO, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

On Tuesday, December 16, 2008 a Regular Meeting of the Illinois Gaming Board ("Board") was held in the conference room of the Gaming Board Offices on the 3rd floor at 160 N. LaSalle, Chicago, Illinois.

On Tuesday, December 16, 2008 at approximately 10:00 a.m. the following Board Members were present: Chairman Aaron Jaffe, Members Charles Gardner, Eugene Winkler, James Sullivan and Joseph Moore.

At 10:20 a.m. on Tuesday, December 16, 2008, Member Winkler called the meeting to order. Pursuant to Section 2(c), paragraphs (1), (4), (11), (14) and (21) of the Open Meetings Act and Section 6(d) of the Riverboat Gambling Act, Member Gardner moved that **the Board retire to Closed Session to discuss the items listed under Closed Session on today's agenda and relating to the following subject matters:**

1. **Pending Litigation and matters involving probable litigation;**
2. **Investigations concerning applicants and licensees;**
3. **Personnel matters; and**
4. **Closed session minutes.**

Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote. The Board remained in Closed Session until approximately 1:00 p.m. The Board went into open session at 1:06 p.m.

APPROVAL OF MINUTES -

Member Gardner moved that **the Board approve the closed session minutes of its Special Meeting of November 10, 2008, Special Meeting of November 14, 2008, Regular Meeting of November 17 & 18, 2008 and the Special Meeting of November 25, 2008.** Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

Member Gardner moved that **the board approve the open session minutes of its Special Meeting of November 14, 2008 and its Regular Meeting of November 18, 2008.** Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

CHAIRMAN'S COMMENTS -

Chairman Jaffe stated that the Board and staff are working on the investigation related to the 10th license and the due diligence at this time is incomplete.

BOARD MEMBERS' COMMENTS -

Member Gardner stated that during closed session looking at the Hollywood Casino update, he had a couple of questions. Member Gardner questioned why in 2006 71.4% spending was with Illinois vendors and in 2007 that dropped to 58%; why the reduction. Rodney Phillippe legal counsel to Hollywood casino stated that there was a definite reduction in food and beverage expenditures in Illinois and a reduction in non-gaming equipment. Non-gaming supplies and equipment was a \$4M swing to 2 vendors due to the fact that low bid contracts were used. The electric power company needs are also satisfied with a low bid contract, and the check is written to a company in Iowa. Health care was bid out to Blue Cross but the check goes to the home office out of the State of Illinois.

ADMINISTRATOR'S REPORT –

Administrator Ostrowski commented on the soft Grand Opening at the Jumer's Casino Rock Island's new site. Mr. Ostrowski stated that members of staff were in attendance.

BOARD POLICY ITEM

Board Meeting Dates –

Member Winkler moved that **the Board approve the following dates for Regular Board Meetings for the 2009 Calendar year.**

Monday, January 12th - Closed session
Tuesday, January 13th - Closed and Open

Tuesday, February 10th - Closed session
Wednesday, February 11th – Closed and Open

Tuesday, March 24th - Closed session
Wednesday, March 25th – Closed and Open
Monday, April 13th - Closed session
Tuesday, April 14th - Closed and Open

Tuesday, May 19th - Closed session
Wednesday, May 20th – Closed and Open

Tuesday, June 23rd - Closed session
Wednesday, June 24th - Closed and Open

Tuesday, July 14th - Closed session
Wednesday, July 15th - Closed and Open

Monday, August 24th - Closed session
Tuesday, August 25th - Closed and Open

Monday, September 14th - Closed session
Tuesday, September 15th - Closed and Open

Wednesday, October 14th - Closed
Thursday, October 15th – Closed and Open

Tuesday, November 17th - Closed session
Wednesday, November 18th - Closed and Open

Tuesday, December 15th - Closed session
Wednesday, December 16th - Closed and Open

Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

OWNER LICENSEE ITEMS

- Harrah's Operating Company, Inc. – Motion Clarification

Based on staff's investigation and recommendation and pursuant to section 230(d) of the Adopted Rules Member Sullivan moved to **approve Harrah's Operating Company's (HOC) Proposed Exchange Offer Refinancing Transaction in which HOC proposes to exchange HOC unsecured notes for new HOC secured notes and cash.**

This transaction is subject to the condition that Southern Illinois Riverboat Casino Cruises and Harrah's Casino Cruises Joliet, the two Harrah's Illinois licensees, will not be required to guarantee the debt or pledge their ownership licenses as part of the Exchange Offer. Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- Par-A-Dice Casino – Loren D. Gill, V.P. and G.M. – Level One

Based on staff's investigation and recommendation, Member Sullivan moved that **the Board approve Loren D. Gill as an Occupational Licensee Level 1 in the position of Vice President and General Manager of Par-A-Dice Gaming Corporation.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- Hollywood Casino – Wendy L. Kasche, Vice President of Finance and Administration – Level One

Based on staff's investigation and recommendation, Member Sullivan moved that **the Board approve Wendy L. Kasche as an Occupational Licensee Level 1 in the**

position of Vice President of Finance and Administration of Hollywood Casino-Aurora. Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

OCCUPATIONAL LICENSES APPROVALS & DENIALS – LEVEL 2’S & 3’S

Based on staff's investigation and recommendation, Member Moore moved that **the Board approve 29 applications for an Occupational License, Level 2, and 127 applications for an Occupational License, Level 3.**

Further, Member Moore moved that **the Board direct the Administrator to issue a Notice of Denial to the following individuals who received notice that staff intended to recommend denial and either did not respond or provide additional information to rebut the recommendation.**

1. Gilbert Lopez;
2. Karen E. Chillemi;
3. Keri L. Duncan;
4. Lori J. Kinder;
5. Dzemo Beciri;
6. Spencer T. Streight;
7. Tisha Floore;
8. Brandon B. Coleman; and
9. Wilford E. Bequette.

Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

PROPOSED COMPLAINTS AND DISCIPLINARY ACTIONS –

- Margenres Mitchell – Occupational Licensee

Based on staff's investigation and recommendation, Member Moore moved that **the Board issue a Disciplinary Complaint against Margenres Mitchell, an occupational licensee, for failing to disclose a September 6, 2001 arrest.**

Further, Member Moore moved that **the Board suspend Margenres Mitchell's occupational license for 3 days without pay. Said action to take effect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

ADMINISTRATIVE HEARINGS/ALJ

- Request for Hearing – Shelly A. McClenhan

Based on the review of staff's investigation and recommendation, Member Gardner moved that **Shelly A. McClenhan's request for a hearing be denied. She has offered no facts that establish a prima facie case - that she failed to disclose six arrests in her application.** Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

- In Re: The Disciplinary Action of James R. Ripple, DC-08-63

Pursuant to section 3000.1155 of the Adopted Rules, Member Gardner moved **for the adoption and entry of the attached Final Board Order suspending the Occupational License held by James R. Ripple and setting forth therein our basis for suspension.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

ADJOURNMENT -

At 1:25 p.m. Member Winkler motioned to reconvene into closed session while Member Gardner seconded the motion. All Members voted in favor of reconvening to closed session.

Respectfully submitted,

Mary C. Boruta
Secretary to the Administrator